

REQUEST FOR COUNCIL ACTION

MEETING

DATE: 4/7/03

21-

AGENDA SECTION:

CONSENT AGENDA

ORIGINATING DEPT:

Administration

ITEM NO.

D-5

ITEM DESCRIPTION: Storm Water Utility Communication Services**PREPARED BY:**
S. KVENVOLD

The Public Works Department is recommending a contract with Richardson, Richter and Associates to assist the department in providing communication materials needed to introduce and explain to the community the proposed implementation of a Storm Water Utility. (See attached).

The proposed Storm Water Utility is being recommended in order to comply with the federal government mandated storm water requirements.

It is important that the proposed implementation of a Storm Water Utility be adequately communicated to the community in order that the citizens have some opportunity to be informed of the reason for proposing the creation of the utility and its financial implications prior to the Mayor and City Council taking final action on the proposal.

The cost of the recommended contract is not to exceed \$44,207. If approved, the necessary funding would be appropriated from existing revenues collected as Storm Water Management Plan charges.

COUNCIL ACTION REQUESTED:

Request a motion authorizing the Mayor and City Clerk to execute a contract with Richardson, Richter and Associates and authorizing the appropriation of the necessary funding from 00404/2450.

COUNCIL ACTION: Motion by: _____ Second by: _____ to: _____



ROCHESTER

Minnesota



TO: Stevan Kvenvold, City Administrator

FROM: Richard Freese, RPW Director *RF*
Barb Huberty, Environmental and Regulatory Affairs Coordinator *BH*

DATE: 4/2/03

SUBJECT: Storm Water Utility Communications
♦ **Protecting water quality is everybody's business.**

DEPARTMENT OF PUBLIC WORKS
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After the 2/24/03 Committee of the Whole meeting introducing the possible creation of a Storm Water Utility, staff members have been moving forward to develop components associated with further development and implementation. This additional work has focused in the areas of:

- ♦ Developing a customer database,
- ♦ Identifying customer charges,
- ♦ Preparing an ordinance, and
- ♦ Writing a fee credit manual.

Completion of these functions and their related tasks is very time consuming. Additionally, staff resources are stretched very thin as significant attention must also be given toward the completion of the storm water permit, development of Environmental Assessment Worksheets for sanitary sewer extensions and the RWRP expansion, along with other routine work tasks. As a result, virtually no staff time is available for the co-development of a vital communications plan and the associated communications materials needed to introduce, explain and implement a the Storm Water Utility. Furthermore, staff expertise to create effective informational materials is limited. Effective communications to all affected parties will be a **critical** element if the storm water utility is to proceed and succeed.

If communications must be handled internally, it is unlikely that a July 1 implementation date for the utility can be met, due to other priority deadlines. Hurdles associated with other aspects of the storm water utility are already making the July 1 date difficult to reach, even if external communications help is approved. Without consultant assistance, the schedule to implement the storm water utility will definitely be delayed at least three months, if not longer. It is very important to insure that timely progress toward adoption of a storm water utility proceeds so that full implementation of our mandated permit requirements may commence later this year. The cumulative effect of the permit, three years of unfunded storm water capital projects, and a property tax levy that is insufficient to support the City's basic services necessitates an alternative funding mechanism at this time.

We have researched options to obtain assistance in this area, focusing on finding a team that has expertise in:

- The successful adoption of fee programs by local units of government,
- Facilitation of controversial public meetings, and
- Preparation of clear and effective communications tools.

Additionally, we sought a team that has current knowledge of our local social, political, and environmental conditions and one that can quickly adapt to this issue and begin providing assistance immediately.

The firm of Richardson, Richter and Associates (RRA) was found to be unique in meeting all of the above criteria. Traditional PR firms did not have expertise in meeting facilitation, development of service fee programs, or comprehensive knowledge of local environmental and socio-political conditions. In evaluating RRA as a potential candidate, we found that they have local expertise as a consultant to Olmsted County on solid waste facility and hauler contract issues. RRA was also a key partner who helped the City conduct the Marion Alternative Urban Areawide Environmental Review. Additionally, they are experienced in establishing County-level solid waste fees and they regularly facilitate City-township annexation conflicts. Therefore, we asked only RRA to provide a communications proposal, detailing their recommended scope of work and budget. In their scope, they are proposing to help the City develop a strategic communications plan that identifies:

- Communications goals,
- Key messages,
- Stakeholders and target markets,
- Public involvement strategies, and
- Communications strategies.

Their team will also write, design, and oversee distribution of the communication tools, including: a residential customer bill stuffer, a non-residential customer self-mailer, a Post Bulletin advertisement or insert, fact sheets, a letter and sample bill for non-residential customers, press releases, and web page updates. Additionally, the team would help facilitate two public meetings and assist with the preparation for the public hearings on the ordinance. If selected and approved for this project, this team will implement these activities between now and late summer, 2003.

The proposed "total cost not to exceed" for these services is \$44,207. Additional costs will be incurred for printing and postage. Funding for the consulting contract and for the associated postage and printing will come from monies already accrued from existing revenue collected as Storm Water Management Plan charges.

Even though you are faced with severe budget cuts, we hope you can view this as a small investment that, if successful, will lead to the creation of a new and vital funding source for the City. Taking the time and doing the necessary public relations work upfront is *key* to generating understanding and ultimate acceptance by the ratepayers.

Thank you for your consideration of this proposal.

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Proposal

City of Rochester Storm Water Utility Fee Strategic Communication Activities

Revised April 1, 2003

RRA will assist the City of Rochester with the communication activities needed to successfully implement a storm water utility fee (SWUF). Linda Gondringer, Senior Associate, will serve as project manager and will lead the development of the communications materials. Ms. Gondringer will be assisted by Trudy Richter, President, who will provide strategic council in the early planning phases of the project.

The activities below assume a timeline of late March through the end of August 2003.

1. RRA will finalize a Strategic Communications Plan that will communicate the City's proposed plan for the SWUF and provide public involvement opportunities for the stakeholders. As part of the Strategic Communications Plan, RRA will help the City finalize:
 - ◆ Communication plan goals
 - ◆ Key messages
 - ◆ Stakeholders/target market
 - ◆ Public involvement strategies (two-way dialogue/public input)
 - ◆ Communications strategies (information sharing)
 - ◆ Timeline for implementation

While RRA recognizes the need to remain flexible, for purposes of the cost proposal, RRA recommends the following:

Communications Plan Goals: The goals of the communication plan are:

- ◆ To provide information to stakeholders on the SWUF and its benefits,
- ◆ To provide a coordinated approach to receiving stakeholder comments,
- ◆ To facilitate community acceptance of the SWUF in preparation for adoption of the SWUF by the City Council.

Key Messages: RRA will help the City identify key messages. RRA recommends that the focus of the message be first on the environmental benefits of the SWUF and the need for the storm management program. Once the benefits message is communicated, the communications can focus on the SWUF, rationale for the funding recommendation, and the related equity issues.

Stakeholders/Target Market. Two primary stakeholder groups have been identified to date 1) residential, and 2) non-residential. Even though the number of residential parcels far outnumbers the number of non-residential parcels, the opposition to the SWUF is

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likely to be strongest with the non-residential stakeholders. For this reason, RRA recommends that the majority of the public involvement and communications efforts be focused on the non-residential sector.

Public Involvement Strategies: Key to the successful implementation of any controversial project is a legitimate process for stakeholders to provide comment on the proposed plan. Opportunities for all affected stakeholders should to comment should be provided. Again, with the focus on the non-residential sector being of utmost importance. Public hearing(s) regarding the ordinance will provide additional opportunities for stakeholder comment.

Communications Strategies: A variety of communication strategies will need to be used to communicate to the stakeholder groups. RRA recommends the use of a variety of print media, media relations, web page updates, presentations to Chamber groups and businesses, and meetings with the most affected businesses.

A detailed timeline for the communications elements will be developed as part of the strategic plan. RRA anticipates that in order to allow sufficient time for informing the public of the SWUF, receiving public comment and passing the ordinance with the required public hearings, the adoption of the SWUF could occur in late August 2003.

2. RRA with the assistance of graphic designer Beth Germon Ignaut, will develop several communication pieces for use by the City. Development of materials includes, drafting copy, design and layout, print production coordination, and placement in the appropriate medium. Two design concept options, complete with a sample layout for the non-residential sector communications piece, will be presented to the City. RRA will develop the following materials:
 - a. Utility bill stuffer targeted at residential sector.
 - b. Self-mailer (1 or 2 fold brochure) targeted at non-residential sector.
 - c. Advertisement or newspaper insert in the Rochester Post Bulletin.
 - d. Fact Sheets to be used in a variety of communication settings. A four-color design template would be created and printed. Space would be available on the fact sheet template for insertion of black and white copy to be added as needed. This will allow a cost effective, flexible communication tool that can be customized for use when meeting with a small group of businesses or community leaders. RRA will assist in writing copy for up to four fact sheets.
 - e. Letter and sample bill for nonresidential sector and others most likely to consider the SWUF objectionable.
 - f. Two press releases on the SWUF.
3. Meetings with stakeholders: RRA will facilitate two public meetings to receive comment on the proposed SWUF. As part of finalizing the strategic communications plan, RRA will recommend the forum for such meetings. Additionally, RRA recommends that City staff offer to have individual meetings/telephone conversations with a limited set of nonresidential stakeholders likely to find the SWUF objectionable. RRA will help structure those meetings, but does not propose to attend the individual meetings.

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4. RRA will write copy for the City's web page providing information on the SWUF and provide copy and related graphics to the City for posting on the web page.
5. RRA will participate in up to six team project planning meetings and provide strategic communications advisory services throughout the project development.
6. RRA will assist with the planning for public hearings on the ordinance and key Council meetings as requested. RRA's proposal includes two such meetings.

Richardson, Richter and Associates, Inc.
Cost Proposal
Table 1

Richardson Richter & Associates, Inc. L. Gondringer @ 238 hours T. Richter @ 31 hours L. Pepper @ 25 hours	\$33,355
Beth Germon Ingaut	\$9,852
Expenses: mileage, copying, delivery of materials, misc. meeting expenses	\$1,000
Total	\$44,207.00

RRA bills for professional services as follows:

Trudy Richter, Principal	\$140.00 per hour
Linda Gondringer, Senior Associate	\$120.00 per hour
Lucy Pepper, Admin. Assistant	\$43.00 per hour

Beth Germon Ignaut, RRA graphic design subcontractor, bills for professional services at \$85 per hour plus required taxes for design services.

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